



House of Representatives

General Assembly

File No. 254

January Session, 2007

Substitute House Bill No. 7058

House of Representatives, April 2, 2007

The Committee on Insurance and Real Estate reported through REP. O'CONNOR of the 35th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT AMENDING DEFINITIONS APPLICABLE TO SPECIAL HEALTH CARE PLANS AND SMALL EMPLOYER HEALTH CARE PLANS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (19) of section 38a-564 of the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2007*):

4 (19) "Low-income eligible employee" means an eligible employee of
5 a small employer whose annualized wages from such small employer
6 determined as of the effective date of the special health care plan or as
7 of any anniversary of such effective date as certified to the insurer or
8 insurance arrangement or the Health Reinsurance Association, as the
9 case may be, by such small employer is less than [two] three hundred
10 per cent of the federal poverty level applicable to such person.

11 Sec. 2. Subdivision (24) of section 38a-564 of the general statutes is

12 repealed and the following is substituted in lieu thereof (*Effective*
13 *October 1, 2007*):

14 (24) "Low-income individual" means an individual whose adjusted
15 gross income (AGI) for the individual and spouse, from the most
16 recent federal tax return filed prior to the date of application for the
17 individual special health care plan or prior to any anniversary of the
18 effective date of the plan, as certified by such individual, is less than
19 [two] three hundred per cent of the applicable federal poverty level.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	38a-564(19)
Sec. 2	<i>October 1, 2007</i>	38a-564(24)

INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill increases the federal poverty limit for individuals applying or renewing coverage through the Health Reinsurance Association, and there is no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 7058*****AN ACT AMENDING DEFINITIONS APPLICABLE TO SPECIAL HEALTH CARE PLANS AND SMALL EMPLOYER HEALTH CARE PLANS.*****SUMMARY:**

This bill increases the income eligibility limit from 200% of federal poverty level (FPL) to 300% FPL for people applying for or renewing coverage under a special health care plan administered through Health Reinsurance Association (HRA).

EFFECTIVE DATE: October 1, 2007

BACKGROUND***HRA and Special Health Care Plan***

By law, HRA provides health insurance for eligible people. It is a nonprofit association comprised of all private insurance companies and HMOs that provide health insurance in Connecticut.

A special health care plan provides comprehensive medical benefits for low-income individuals.

Federal Poverty Level

FPL for 2007, as published in the federal register January 24, 2007, is \$10,210 for an individual and \$20,650 for a family of four.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 12 Nay 6 (03/15/2007)